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May 26, 2020

VIA ELECTRONIC FILING

Ms. Jocelyn Boyd
Chief Clerk and Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, SC 29210

Re: Actions in Response to COVID-19
Docket No. 2020-106-A

Dear Ms. Boyd:

Enclosed is a summary of the comments of Piedmont Natural Gas Company, Inc. which were filed with the Commission in Docket No. 2020-106-A on May 22, 2020, pursuant to Commission Order No. 2020-372.

Thank you for your assistance with this matter. If you have any questions regarding this filing, you may reach me at the number shown above.

Sincerely,

/s/ T. Richmond McPherson III
T. Richmond McPherson

TRM/sko

Enclosure

cc: ORS
Bruce Barkley
Pia Powers
James Jeffries

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKET NO. 2020-106-A

May 27, 2020

Summary of Prefiled Comments of Piedmont Natural Gas Company, Inc.

My name is Bruce Barkley and I am the Vice President of Rates and Natural Gas Supply for Piedmont Natural Gas Company, Inc.

The purpose of my statement today is to present a summary of Piedmont's comments filed in this docket on May 22, 2020 in response to Commission Order No. 2020-372. Ms. Lesley Quick, Vice President of Strategic Planning, Governance, and Technology for Duke Energy is also available to respond to Piedmont related Commission questions within her area of expertise.

I would like to begin my statement by thanking the Commission for the opportunity to respond to the questions set forth in Order No. 2020-372 and its continuing focus and attention to the impacts of the COVID-19 pandemic on the operations of regulated utilities in South Carolina, including Piedmont. I will discuss Piedmont's response to the pandemic, the impact of the pandemic on Piedmont, and our plan to return to normal operations.

1. Piedmont Response to Pandemic.

Piedmont recognizes the difficult financial impact to our customers caused by this health crisis. In response to the current pandemic, the company proactively took several steps to alleviate our customers' hardships and help them to navigate these difficult times. In mid-March, 2020, Piedmont suspended disconnection of South Carolina customers for non-payment, reconnected some prior non-payment disconnections, and began waiving late payment fees and returned check fees for all customers in response to the looming COVID-19 pandemic. Piedmont also adopted a number of operational changes in mid-March to increase protection to its customers, employees,

and the public including curtailment of employee travel, implementation of work-at-home arrangements where feasible, deferral of close contact work in the field, reconstitution of call center operations, and thermal scanning and special cleaning arrangements for operational and corporate centers.

Piedmont has also implemented other measures designed to ease the impact of the pandemic on its customers such as voluntary absorption of credit card fees by the Company, adoption of a “maximum flexibility” policy in establishing payment plans, enhanced charitable giving to social service agencies (focused on food security and utility assistance) through the Duke Energy Foundation, and establishment of a COVID-19 page on Piedmont’s website designed to keep customers up to date on the Company’s actions and the assistance available to customers.

2. Impact on Piedmont.

As is identified with more detail in the Company’s filed comments, the reduction in usage associated with the pandemic has presented a challenge to Piedmont as a result of the lower than normal revenues received by the Company during the last several months. In addition, the cessation of disconnections for nonpayment have increased Piedmont’s South Carolina payment arrearages by approximately \$1.2 million (67%) during the period February 2020 through April 2020 and resulted in the waiver of approximately \$82,000 in late-payment fees and returned check charges during the same period. Piedmont agrees with ORS’s observation that reduced usage is impacting the fixed cost recovery and revenue assumptions included in rates designed to collect costs incurred in serving customers and that accurate data is essential. The costs include not only ongoing operational and financing costs necessary to serve customers, but the borrowings necessary to support extended payment arrangements. Piedmont is tracking costs, revenue impacts

and savings related to COVID-19 on a quarterly basis and will provide the findings to the Commission within 30-days of each quarter's end beginning with the second quarter of 2020.

3. Return to Normal Operations.

Piedmont's goal is to work with its customers as South Carolina continues to open its economy and recovers from the pandemic. We understand that many of our customers are concerned about the possibility of being disconnected and we are working hard to avoid disconnections. In order to avoid disconnections, Piedmont is currently in the middle of a payment arrangement campaign to inform identified residential and small/medium business customers in arrears about several payment arrangement options through emails, text messages, and outbound calls.

The Company is actively communicating its plans to address customer concerns resulting from the pandemic with its partner relief organizations in South Carolina and fully intends to abide by the directives contained in the Commission's Order No. 2020-374 which require companies to refer any customer needing assistance to local organizations, and/or arrange payment plans that will avoid or minimize penalties and service interruptions prior to termination of utility service, in addition to applying the appropriate Commission Regulations related to termination of service. If disconnections for non-payment ultimately do become necessary, however, we do not expect the process to result in actual physical disconnection prior to August.

Our workforce will also return to our offices on a staggered time frame, and in response to current conditions, starting slowly in June, 2020. We are abiding by CDC guidance on social distancing and protections for our employees and those they encounter, including customers, vendors and stakeholders. A complete return to normal operations is dependent upon whether

COVID-19 decreases or increases over time, and any second wave could trigger additional actions.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Summary of Prefiled Comments of Piedmont Natural Gas Company, Inc. filed in Docket No 2020-106-A, was served electronically upon all parties of record.

This the 26th day of May, 2020.

/s/ Sloane K. O'Hare
Sloane K. O'Hare